

**Received**

Donald J. Spackman, P.E.

AUG 12 2005

**PASA**212 Mudlick Road  
Julian, Pennsylvania 16844  
Phone: (814) 692-8432**BRIAN SNYDER, PASA EXEC. DIR 8/12/05**

**THANKS FOR YOUR RECENT LETTER REGARDING THE AG PROGRESS MEETING ON THE 16<sup>TH</sup>. I ALWAYS ATTEND ONE OF THE THREE DAYS, BUT I HAVE A CONFLICT FOR THE 16<sup>TH</sup>. IF YOU COULD PASS THE FOLLOWING COMMENTS ALONG, I WOULD APPRECIATE IT.**

**DEAR MR. SECRETARY:**

**WE ARE VEGETABLE AND SMALL GRAINS FARMERS IN CENTRE CO., PA. WE ARE ALSO A PA. CERTIFIED CENTURY FARM WITH SOME PORTIONS IN THE FAMILY SINCE AS EARLY AS 1785, BUT ONLY CERTAIN PORTIONS CONTINUOUSLY. WE HAVE OVER 500 ACRES WITH 50% TILLABLE TO VARYING DEGREES; THE BALANCE IS PRODUCTIVE TIMBERLAND.**

**YOUR QUESTION # 1:**

**A. IN THE PAST IT WAS RELATIVELY EASY TO HAND DOWN THE FARM PROPERTIES FROM GENERATION TO GENERATION. HOWEVER, WITH THE PRESENT ESCALATION IN LAND VALUES, INCLUDING STRUCTURES, THE APPRAISED VALUES OF OUR PROPERTIES ARE OUT OF SIGHT. THUS THE POTENTIAL DEATH TAXES FROM GENERATION TO GENERATION CAN BE OUTRAGIOUS. THERE ARE WAYS TO MINIMIZE THESE, BUT ALL INVOLVE SIGNIFICANT RISKS. THE ONLY SIMPLE APPROACH IS TO TOTALLY ELIMINATE DEATH TAXES ALTOGETHER!**

**B. SECONDLY ONE OF THE ITEMS THAT CAN SCARE OFF FUTURE GENERATIONS IS SCHOOL TAXES ON PROPERTY. THERE IS NO LOGICAL REASON FOR FARM PROPERTY TO BE TAXED TO SUPPORT SCHOOLS! WHERE IS THE LOGIC? WHAT RETURN OR BENEFIT DOES A PIECE OF FARM GROUND GET FROM TAXES PAID TO THE SCHOOL DISTRICT? IT SHOULD BE REPLACED WITH A PER CAPITA OR INCOME TAX, SO THAT EACH PERSON PAYS A FAIR SHARE FOR THEIR EDUCATION OR THEIR CHILDRENS. THE CURRENT METHOD OF PROPERTY TAXING RESEMBLES "TAXATION WITHOUT REPRESENTATION". FARMS SHOULD BE EXEMPT FROM TAXES FOR SCHOOLS. NOTE THAT I DIDN'T SAY THAT FARMERS SHOULD BE EXEMPT, JUST THE LAND AND STRUCTURES.**

**YOUR QUESTION # 5:**

**WHEN I LOOK AT MY RECENT TAX RETURNS, I NOTE THAT, AS I HAVE COMPLAINED OVER THE YEARS, 32 TO 50% OF MY FARM EXPENSES COME FROM JUST THREE SOURCES;**

- A. PROPERTY TAXES, DISCUSSED ABOVE.**
- B. FARM INSURANCE, EVEN BY CARRYING THE MINIMUM COVERAGES, AND**
- C. FUEL COSTS, WHICH HAVE DOUBLED IN THE LAST 2 YEARS. TRUE WE ARE EXEMPT FROM FUEL TAXES, BUT THE BASE COST IS THE KILLER.**

**THE WORST PART OF THESE ARE PROPERTY TAXES AND INSURANCE. WE HAVE NO CONTROL OVER THESE. IT COSTS US \$7500 FOR THE FIRST POTATO HARVESTED. WE CANNOT REDUCE THESE BY INOVATIVE MANAGEMENT. THE ONLY WAY OUT SEEMS TO BE EXIMPTIONS FROM THESE.**

**THERE ARE NO CURRENT FARM SUBSIDIES THAT HAVE PROVEN TO BE OF VALUE TO OUR OPERATION. WE GO IT ALONE. THE WORD PROFIT IS NOT COMMON LANGUAGE IN OUR OPERATION NOW NOR IN THE PAST. BECAUSE OF THIS 10 YEARS AGO WE MOVED ONTO THE ORGANIC ARENA. WE ARE NOW CERTIFIED ORGANIC GROWERS FOR TWO REASONS; INDEPENDENCE FROM CHEMICAL COMPANIES, AND PRESENTLY HIGHER MARKET PRICES. WE SEE A PROFIT POTENTIAL, BUT NOT YET A REALIZATION. WE NEED YOUR HELP ON THE AFOREMENTIONED EXPENSE TRAPS.**

**THANKYOU FOR CARING ENOUGH TO LISTEN.**

**SINCERELY,  
DONALD J. SPACKMAN,  
ROUNDTOP FARMS**